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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.
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09/136,147 08/18/98 WALKER

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EXAMINER

CARLSON, J

ART UNIT

PAPER NUMBER

2162

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9

Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trad marks

# Office Action Summary

Application No.

09/136,147

Applicant(s)

WALKER ET AL.

Examiner

Jeffrey D. Carlson

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 21 May 2001.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-59 is/are pending in the application.
- 4a) Of the above claim(s) 22-47 and 52-59 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-21 and 48-51 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claims \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved.
- 12) ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. § 119

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

## Attachment(s)

- 15) ☒ Notice of References Cited (PTO-892)
- 16) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 17) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 3,4.
- 18) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_.
- 19) ☐ Notice of Informal Patent Application (PTO-152)
- 20) ☐ Other:

## DETAILED ACTION

### *Election/Restrictions*

Claims 22-47 and 52-59 are withdrawn from further consideration pursuant to 37 CFR 1.142(b) as being drawn to a nonelected species, there being no allowable generic or linking claim. Election was made **without** traverse in Paper No. 8.

### *Double Patenting*

1. The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. See *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and, *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.130(b).

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

2. Claims 1-21 and 48-51 are rejected under the judicially created doctrine of double patenting over claims 1-63 of U. S. Patent No. 5,926,796 since the claims, if allowed, would improperly extend the "right to exclude" already granted in the patent.

The subject matter claimed in the instant application is fully disclosed in the patent and is covered by the patent since the patent and the application are claiming common subject matter. Also, the restriction previously made indicated that selling a subscription at a POS was a more specific embodiment, covered by the more general/generic selling a subscription. Had applicant not canceled the claims drawn to

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the subscription selling at a POS, those claims could have been also allowed, as the more general/generic claims were allowed in the parent case.

### ***Claim Objections***

Claim 15 is objected to because of the following informalities:


 Claim 15, --the—should be inserted at the beginning of line 2.

Appropriate correction is required.

### ***Claim Rejections - 35 USC § 112***

Claims 10, 13, 20, 21, 50 and 51 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

- Claims 10 and 13 depend from a base claims that positively set forth a method step. These dependant claims then attempt to qualify the method step and introduce language suggesting that particular method step may not be positively performed in the base claims. Subsequently introducing the offer step only if a certain condition is met makes the claim scope unclear. Is the offer step really positive in the base claims?

-  ■ Claims 20, 50 and 51 are of unclear claims scope. There is no clear antecedent basis for a POS terminal.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1 and 3-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Applicant-admitted prior art. Applicant admits the well known use of blow-in or bind-in cards offering subscriptions. It would have been obvious to one of ordinary skill at the time of the invention to have called the subscription office to inquire about subscription(s). In this manner, questions can be asked, and any orders can be taken error-free by a human operator. It would have been obvious to one of ordinary skill at the time of the invention that simply asking the operator about a subscription would trigger a computer-based lookup by the operator to answer questions about subscription cost, number of issues, etc and asking if the caller was interested in a subscription offer. These obvious acts by the salesperson are taken to read on several of the claims. A confirmation from the caller that a subscription is desired would trigger an order taking process where the customer's subscription info (name, address, phone act as customerID) was captured, credit card payment processed and transmission of the subscription request to a fulfillment house, as is well known. A caller desiring two subscriptions (one for self, one for gift, for example) would read on adding a subscription price to a purchase price total. Official notice is taken that it is well known to establish pricing schedules based on a customer's past history. It would have been obvious to one of ordinary skill at the time of the invention to have (researched via computer lookup and) discounted qualifying first-time subscribers in order to increase viewership, or to reward long-time customers with discounts to maintain viewership.

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These discounts in effect inherently "entitle" the customer to free issues, simply by charging them less. This discount is surely stored by the computer system in order to properly charge the customer. As is well known in the subscription business, it would have been obvious to one of ordinary skill at the time of the invention to have enabled subscribers to cancel their orders, either by phone or by mail. By stopping future issues, any discounts/free issues would not be subsequently sent.

Claims 1 -21 and 48-51 are rejected under 35 U.S.C. 103(a) as being unpatentable over Horton ("Holiday gift subs are up"). Horton teaches the concept of selling subscriptions at retail sites. The subscriptions are sold as a single packaged unit at a retail store. It would have been obvious to one of ordinary skill at the time of the invention to have provided bar coding on these packages as well known to facilitate price lookup, speed the transaction and minimize error at the POS. Simply scanning the item at the register would receive an indicator, trigger a price lookup if it exists and the retail transaction inherently outputs an offer for purchase. Ringing up the item and presenting the customer with a total price to pay is taken as presenting an offer for the subscription. Going ahead with payment by the customer (for subscription and for additional purchases at the retail store) represents acceptance of the subscription offer. It would have been obvious to one of ordinary skill at the time of the invention to have indicated/determined somewhere along the shopping/purchase process the savings accomplished over per-issue costs; this would require indication/notification of a single issue cost. The destination for the receiving customer and subscription information (customer name, address, phone – acting as customerID) is ultimately forwarded to the

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fulfillment house for processing/delivery. Regarding the determination of previous offers/purchase, a POS clerk performing a transaction with a new customer would offer the subscription by requesting payment for the total purchase price (once) if the clerk had yet to request full payment for the transaction. Regarding claim 15, a threshold of zero is consistent with this scenario. A request for payment of total purchase price (offer) need only occur once for atypical retail transaction; the customer either pays the amount or not. Regarding the free issue, it is well known that subscription prices are cheaper than single issues, in effect inherently providing free issues. In essence, storing an indication that a customer is a subscriber is storing an indication that they are receiving at free issue(s). As is well known in the subscription business, it would have been obvious to one of ordinary skill at the time of the invention to have enabled subscribers to cancel their orders, either by phone or by mail. By stopping future issues, any discounts/free issues would not be subsequently sent.

Claims 1 –21 and 48-51 are rejected under 35 U.S.C. 103(a) as being unpatentable over "Subscription Sales Center". This reference teaches the concept of purchasing a subscription at a computer-based kiosk (taken to be a POS). It would have been obvious to one of ordinary skill at the time of the invention to have enabled potential buyers to browse/search for particular magazines and their associated pricing using periodicalIDs, well known in database searches. Regarding claim 2, it would have been obvious to one of ordinary skill at the time of the invention for a retail clerk having such a kiosk in the store to refer a single-issue-purchasing customer to the kiosk. The clerk would scan the magazine barcode at a POS as is well known, and it would have

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been obvious to one of ordinary skill at the time of the invention to have at this time referred the customer to the kiosk for a subscription. The kiosk method inherently transmits the customer's subscription info (name, address, phone act as customerID) to the fulfillment center, as is well known. A kiosk purchaser desiring two subscriptions (one for self, one for gift, for example) would read on adding a subscription price to a purchase price total. Official notice is taken that it is well known to establish pricing schedules based on a customer's past history. It would have been obvious to one of ordinary skill at the time of the invention to have (determined via kiosk lookup the number of previous or current subscriptions held and) discounted qualifying first-time subscribers in order to increase viewership, or to reward long-time customers with discounts to maintain viewership. These discounts in effect inherently "entitle" the customer to free issues, simply by charging them less. This discount is surely stored by the computer system in order to properly charge the customer. Processing the subscription and presenting the customer with a total price to pay at the kiosk is taken as presenting an offer for the subscription. Going ahead with payment by the customer (for subscription and for additional purchases at the retail store) represents acceptance of the subscription offer. It would have been obvious to one of ordinary skill at the time of the invention to have indicated/determined somewhere along the shopping/purchase process the savings accomplished over per-issue costs; this would require indication/notification of a single issue cost. Regarding the determination of previous offers/purchase, it would have been obvious to one of ordinary skill at the time of the invention to have programmed the kiosk to offer a customer the subscription by



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requesting payment for the total purchase price once, if the kiosk had yet to request full payment for the transaction. Regarding claim 15, a threshold of zero is consistent with this scenario. A request for payment of total purchase price (offer) need only occur once for a typical kiosk transaction; the customer either pays the amount or not. As is well known in the subscription business, it would have been obvious to one of ordinary skill at the time of the invention to have enabled subscribers to cancel their orders, either by phone or by mail. By stopping future issues, any discounts/free issues would not be subsequently sent.

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jeffrey D. Carlson whose telephone number is 703-308-3402. The examiner can normally be reached on 8:30-6p, off on alternate Fridays.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on 703-305-8469. The fax phone numbers for the organization where this application or proceeding is assigned are 703-308-6306 for regular communications and 703-308-6306 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

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June 4, 2001



Jeffrey D. Carlson  
Examiner  
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